

Presented to the Court by the foreman of the Grand Jury in open Court, in the presence of the Grand Jury and FILED in the U.S. DISTRICT COURT at Seattle, Washington.

FEBRUARY 6 2013

WILLIAM M. McCOOL, Clerk

By  Deputy

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHELLE MALKIN,

Defendant.

CR 13

038 MJP

INDICTMENT

The Grand Jury charges that:

COUNTS 1-3

(Wire Fraud)

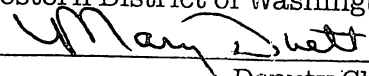
I. Introduction

At all times material to this Indictment:

1. Verbena Health was a non-profit corporation that provided health-care services to the lesbian, bisexual, and transgender community, and received both Federal and State grant money;

2. Defendant Michelle Malkin was the Executive Director of Verbena Health with sole authority to access and use the bank accounts and credit accounts of Verbena Health.

CERTIFIED TRUE COPY
INDICTMENT/Malkin ATTEST: WILLIAM M. McCOOL
Clerk, U.S. District Court
Western District of Washington

By  Deputy Clerk

UNITED STATES ATTORNEY
700 Stewart Street, Suite 5220
Seattle, Washington 98101-1271
(206) 553-7970

1 **II. The Offense**

2 3. Beginning in or around February 2007, and continuing until in or around
3 May 2008, at Seattle and elsewhere, within the Western District of Washington,
4 MICHELLE MALKIN did knowingly and willfully devise and execute and attempt to
5 execute a scheme and artifice to defraud, and for obtaining money and property by means
6 of material false and fraudulent pretenses, representations, and promises; and in executing
7 and attempting to execute this scheme and artifice, did knowingly cause to be transmitted
8 in interstate commerce by means of wire communication, certain signs, signals and
9 sounds.

10 **III. Object of the Scheme and Artifice to Defraud**

11 4. The object of the scheme and artifice to defraud was to obtain money from
12 her employer, Verbena Health, based on false representations that MICHELLE MALKIN
13 was using funds controlled by Verbena Health for the benefit of the company. In fact, as
14 she then well knew, during the course of the scheme and artifice to defraud, MICHELLE
15 MALKIN would use funds that belonged to the company for personal expenses including
16 gambling and other personal expenses.

17 **IV. Manner and Means of The Scheme and Artifice to Defraud**

18 5. It was part of the scheme and artifice to defraud that MICHELE MALKIN
19 opened multiple accounts ("the unauthorized accounts") in the name of Verbena Health
20 and "Michelle L. Malkin and Verbena" without the authority of the Verbena Health
21 Board of Directors;

22 6. It was further part of the scheme and artifice to defraud that MICHELE
23 MALKIN would deposit money belonging to Verbena, received from donors and grant
24 funds, into the unauthorized accounts;

25 7. It was further part of the scheme and artifice to defraud that MICHELE
26 MALKIN would transfer money from authorized Verbena accounts to the unauthorized
27

1 accounts;

2 8. It was further part of the scheme and artifice to defraud that MICHELLE
3 MALKIN would pay false invoices to companies that she controlled which had not
4 provided services to Verbena Health;

5 9. It was further part of the scheme and artifice to defraud that MICHELE
6 MALKIN would withdraw funds from both the authorized and unauthorized Verbena
7 accounts in the form of cash withdrawals and checks to herself for her own personal
8 expenses;

9 10. It was further part of the scheme and artifice to defraud that MICHELE
10 MALKIN thereby obtained without authorization a total of approximately \$120,000.00,
11 which she used for her own benefit and purposes.

12 **V. Execution of the Scheme and Artifice to Defraud**

13 On or about the following dates, within the Western District of Washington and
14 elsewhere, MICHELLE MALKIN, for the purpose of executing the aforementioned
15 scheme and artifice to defraud and to obtain money by means of false and fraudulent
16 pretenses, representations, promises and omissions of material facts, and attempting to do
17 so, did knowingly and intentionally cause to be transmitted, in interstate commerce by
18 means of a wire communication, certain signs, signals, and sounds, that is, the
19 withdrawals of funds from a Verbena bank account at Washington Mutual Bank in the
20 Western District of Washington, through automated teller machines on the

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1 Carnival Cruise Ship Valor, in Miami, Florida, the transmission of which traveled in
2 interstate commerce, each withdrawal constituting a separate count of this Indictment:

3	<u>Count</u>	<u>Date</u>	<u>Transaction</u>
4	1	2/20/2008	ATM withdrawal of \$506.00
5	2	2/22/2008	ATM withdrawal of \$406.00
6	3	2/25/2008	ATM withdrawal of \$986.05


7 All in violation of Title 18, United States Code, Sections 1343 and 2.

8
9 A TRUE BILL:

10
11 DATED: 2-6-2013

12
13 (Signature of Foreperson redacted pursuant to
14 policy of the Judicial Conference)
15 FOREPERSON

16
17 
18 JENNY A. DURKAN
19 United States Attorney

20
21 
22 CARL BLACKSTONE
23 Assistant United States Attorney

24
25 
26 NORMAN M. BARBOSA
27 Assistant United States Attorney

28 INDICTMENT/Malkin

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